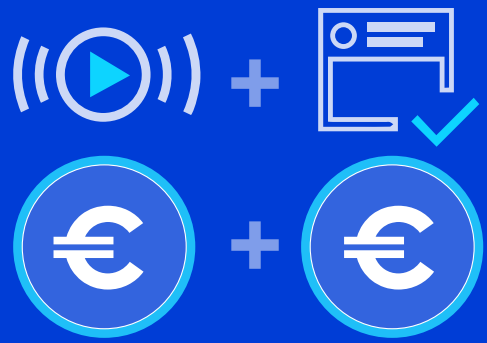
COPYRIGHT LEVY

Is an outdated levy causing consumers to ultimately pay twice?

DIGITALEUROPE



MESSAGES

DIGITAL FACT BOT
Hi there! Have you heard of a copyright levy?

CONSUMER
I haven't! What's that?

DIGITAL FACT BOT
A copyright levy is a fee that consumers pay when they buy recording media and devices.

CONSUMER
So, is this a new thing?

DIGITAL FACT BOT
Nope! The levy was introduced in 1965 when cassettes had only been invented two years earlier, we've come a long way since then...

At one time, the levies on devices and storage media were justified as consumers still made private copies for their private use or for friends and family members. These levies are now applied to all devices you use to access digital content, including PCs, smartphones and tablets. However, the levy hasn't caught up with the speed of today's constantly evolving digital world. We now live in the age of streaming which is a totally different way of consuming media.

CONSUMER **So I have to pay a levy for streaming?**

DFB Yes, that's right. This is because, according to the outdated levy systems, the device itself is subject to a copyright levy and you pay for it independent of usage.

CONSUMER **Does this mean I have to pay twice – a copyright levy and a subscription fee – if I stream?**

DFB Yes, it's a double payment and consumers shouldn't have to pay twice.

The copyright levy is paid by you when you purchase your device simply because it may be potentially used to record copyrighted works. However, this copyright levy has been calculated in some countries to also provide compensation for the offline lists that you are already paying for in your subscription fee.

CONSUMER **I think everyone would agree that consumers shouldn't have to pay twice! How is today's world of streaming different to the world when the copyright levy was first introduced?**

DFB Good question! When using a streaming service today, you only have access to the content for as long as you are subscribed to the service and can only use it within the specific service. This is comparable to renting and not private copying. In the past, once you made a copy of a song on your CD or cassette it was permanent, and you had full ownership of it for as long as you wanted. For example, you could play it on any device or give it to a friend or family member with little or no constraints.

CONSUMER **Woah times have really changed! I think it's time we get a new system in place that recognises today's digital landscape.**

DFB I think everyone would agree! When you subscribe to a service, you pay a subscription fee and there is no justification for any additional levies on top when you purchase your phone, tablet or PC. Consumers shouldn't have to pay double just because the copyright levy hasn't caught up with the progression of today's streaming methods.